

Exhibits

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

University of Southern California)	Opposition No.: 125,615
Opposer,)	
)	Serial No.: 75/358,031
vs.)	
)	Mark: "SC" (Stylized)
University of South Carolina,)	
Applicant.)	
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University of South Carolina)	Opposition No.: 125,615
Petitioner,)	
)	Reg. No.: 1,844,953
vs.)	
)	Mark: SC Word Mark
University of Southern California)	
Registrant.)	
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03-14-2003

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #7C

APPLICANT AND PETITIONER'S RESPONSE
TO MOTION FOR SUMMARY JUDGMENT

I. INTRODUCTION

On February 10, 2003, the Trademark Trial and Appeal Board (the "Board") issued an Order converting the University of Southern California's ("California") motion to dismiss to a motion for summary judgment under Fed. R. Civ. P. 56. As noted by the Board, "the parties have fully briefed the motion to dismiss," but California attached to its initial briefing and reply brief materials deemed outside of the pleadings.¹ Since they were made in

¹ South Carolina has also asserted that the supplemental exhibits should not be considered. See Petitioner's Memorandum in Support of its Motion to Strike, or in the Alternative, Surreply Memorandum in Opposition to Registrant's Motion to Dismiss

the framework of a motion to dismiss, California's arguments were directed only to matters of law. The University of South Carolina ("South Carolina") asserts that California's exhibits did not relate to material facts, but instead, were provided merely for demonstrative purposes. (See Opposer's Cross-Motion to Dismiss, p. 3). However, out of an abundance of caution, South Carolina hereby submits this memorandum for the exclusive purpose of responding to California's exhibits submitted outside of the pleadings.²

As discussed in South Carolina's opposition papers, California's motion should be denied because California has not established, *as a matter of law*, (1) that letters cannot serve as insignia, (2) that the letters "SC" cannot point uniquely to the State of South Carolina, and (3) that a material false statement was not made by California in its statement of use which was relied upon by the United States Patent and Trademark Office. Moreover, when the factual exhibits submitted by California and their inferences are viewed in a light most favorable to South Carolina, the conclusion remains that California's motion for summary judgment should be denied.

The handful of irrelevant registrations submitted by California fail to establish both that the letters "SC" do not serve as a flag or insignia of the State of South Carolina and that they do not point unmistakably to the State of South Carolina. The statement of use, which is the only document mentioned in California's argument to dismiss the fraud claim, is clearly open to factual interpretation. When the statement of use is examined in connection

² South Carolina would object to California submitting any additional new arguments or materials that go beyond addressing the evidence submitted by South Carolina herein. The Board's February 10th Order limits California to a "reply brief." A reply brief may only respond to new issues raised by the other party and additional arguments or materials are not proper and must be stricken. SDT Inc. v. Patterson Dental Company, 1994 TTAB LEXIS 10, *4, 30 U.S.P.Q.2d 1707 (T.T.A.B. 1994); Wells Fargo & Company v. Lundeen & Associates, 1991 TTAB LEXIS 22, *3-4, 20 U.S.P.Q.2d 1156 (T.T.A.B. 1991).

with the applicable regulations and California's second "SC" registration, South Carolina has succeeded in raising a material issue regarding the falsity of the statement of use. As a result, under either a motion to dismiss standard or motion for summary judgment standard, California's arguments fail as to each of the counterclaims.

II. ARGUMENT

A. MOTION FOR SUMMARY JUDGMENT STANDARD.

Summary judgment is only appropriate where the movant has established that there is no genuine issue of material fact in dispute, thus leaving the case to be resolved as a matter of law. Fed. R. Civ. P. 56(c); El Tobacco Ltd. v. Pyramid Worldwide Corp., 2003 TTAB LEXIS 32 at *3-4 (T.T.A.B. 2003). The burden rests on the moving party to demonstrate the absence of any genuine issue of material fact. Celotex Corp. v. Catrett, 477 U.S. 317 (1986); Sweats Fashions Inc. v. Pannill Knitting Co. Inc., 833 F.2d 1560, 4 U.S.P.Q.2d 1793 (Fed. Cir. 1987). In considering whether to grant or deny a motion for summary judgment, the Board may not resolve issues of material fact, but can only ascertain whether genuine disputes exist regarding such issues. Lloyd's Food Products Inc. v. Eli's Inc., 987 F.2d 766, 25 U.S.P.Q.2d 2027 (Fed. Cir. 1993). All evidence must be viewed in a light most favorable to the non-movant, and all justifiable inferences are to be drawn in the non-movant's favor. Id.

B. BECAUSE THIRD-PARTY REGISTRATIONS SHOULD NOT BE CONSIDERED, THERE HAS BEEN NO EVIDENCE SUBMITTED TO SUPPORT CALIFORNIA'S MOTION FOR SUMMARY JUDGMENT ON THE COUNTERCLAIMS RELATING TO § 1052 (a) OR (b).

California has moved to dismiss each of South Carolina's counterclaims filed under § 1052(a) and (b) based upon its dual arguments that the letters "SC" do not uniquely

refer to the state of South Carolina and that those letters cannot form an insignia for the state of South Carolina. In an effort to support its arguments, California has relied almost entirely upon citation to and submission of various third-party registrations; some of which contain the letters "SC". As it will be shown, their submission of such material should be given little, if any, evidentiary value by the Board in its determination of this summary judgment motion.

In connection with its original Motion to Dismiss, California submitted as *Exhibit C* to its Request for Official Notice a list of third-party USPTO registrations containing the letters "SC".³ However, such a list cannot even be properly considered by the Board. It is undisputed that typed listings of third-party registrations are not an appropriate way to enter such material into the record, and the Board does not take judicial notice of registrations in the USPTO on that basis. In re Pacific Pinnacle Investments Ltd., 2001 TTAB LEXIS 153 at *3 (T.T.A.B. 2001); In re JT Tobacconists, 2001 TTAB LEXIS 408 at *2 (T.T.A.B. 2001); In re Smith and Mehaffey, 31 U.S.P.Q.2d 1531 (T.T.A.B. 1994); Wright Line Inc. v. Data Safe Services Corporation, 229 U.S.P.Q. 769 at fn 5 (T.T.A.B. 1985); In re Lar Mor International Inc., 221 U.S.P.Q. 180 at 183 (T.T.A.B. 1983); In re Duofold, Inc., 184 USPQ 638 (T.T.A.B. 1974). In light of the unmistakable holdings of these cases, the evidence of third-party registrations submitted by California initially with its original Motion to Dismiss must be totally disregarded by the Board.

As such, California's only tangible evidence submitted in support of its converted Motion for Summary Judgment is a collection of printouts identifying registrations possessed by various unrelated third-parties. Specifically, on December 16, 2002, California

³ California's other submissions with its original Motion to Dismiss related to the registration history of the "SC" mark and clearly have no bearing on the issues relating to § 1052(a) and (b). California's submission of the dictionary definition of Scadmium will be discussed *infra*.

submitted printouts from the TESS website of approximately 53 registrations. Of these 53 marks, only 11 contained the letters “SC”. Assuming that these supplemental documents are actually considered (on the basis that they are not merely a list of registrations), they should be given minimal evidentiary value, if any.

As a general proposition, evidence of third-party registrations with the USPTO is not given weight in other contexts. Clearly, the practical reason behind such a rationale is simple. Each and every registration is issued under a wholly different set of circumstances, thus, the precedential value of each individual registration is miniscule. Indeed, each situation must be decided upon its own merits, on the basis of the record therein. In re Nett Designs Inc., 236 F.3d 1339, 1342, 57 U.S.P.Q.2d 1564 (Fed. Cir. 2001). Because registrations are granted by the USPTO pursuant to an *ex parte* administrative proceeding, those registrations should have little bearing in subsequent adversarial proceedings where the full weight of evidence on both sides should be evenly considered. Ashland Oil Inc. v. Olymco, 905 F.Supp. 409, 413, 1994 U.S. Dist. LEXIS 20763 (W.D. KY. 1994). In the present situation, California by its own admission has not submitted these registrations as any type of hard evidence, but rather only as demonstrative evidence. As such, these registrations are completely unrelated to the present dispute and, based upon the foregoing common law, have no tangible value as evidence in this case.

In light of the judicial recognition of third-party registrations as totally unpersuasive, the third-party registrations cited by California should have little or no bearing on the disposition of this Motion. Therefore, based upon the lack of any persuasive material in the record as it presently exists, it is clearly impossible for California to meet their incredibly

high burden of proving that no factual dispute is present. Indeed, when examined individually, it becomes obvious that factual disputes lie at the heart of South Carolina's counterclaims.

1. Third-Party Registrations may not be cited as evidence of the strength of association of a mark, thus, California has submitted no hard evidence to support its Motion for Summary Judgment under § 1052 (a).

Whether the letters "SC" uniquely or unmistakably point to South Carolina is indisputably a factual question revolving around the relative strength or weakness of the "SC" mark. As such, a full factual determination on the merits is required to decide the issue. Obviously, California has sought to submit the third-party registrations as evidence in an effort to attack South Carolina's argument relating to the strength of the "SC" mark arising from its formidable association with the state of South Carolina. By asserting that the letters "SC" do not uniquely or unmistakably refer to the state of South Carolina, California is essentially arguing that the letters "SC" have a weak association with South Carolina. California would further contend that such alleged weakness is demonstrated by the multiple registrations containing those letters. However, the submission of evidence of third-party registrations cannot be given *any* weight as to the strength or weakness of a particular mark. Olde Tyme Foods Inc. v. Roundy's Inc., 961 F.2d 200, 22 U.S.P.Q.2d 1542, 1545 (Fed. Cir. 1992); AMF Inc. v. American Leisure Products, Inc., 474 F.2d 1403, 1406, 177 U.S.P.Q. 268, 269 (CCPA 1973).

Therefore, because the majority of the evidence submitted in support of California's Motion for Summary Judgment consists of third-party registrations which, if considered, should not be persuasive on the relevant issues at bar, there is truly no substantive evidence to support California's Motion on § 1052 (a). California may argue that the dictionary definition of "Scadmium" is evidence in support of its argument that the letters

“SC” are not uniquely associated with the state of South Carolina. In response to such a contention, South Carolina is submitting herewith:

- Results of a LexisNexis search demonstrating the use of the terms “SC” and “South Carolina” used closely together in more than 3,000 articles. (Exhibit 1).
- Entry from “The Bluebook: A Uniform System of Citation” demonstrating that “SC” is the officially recognized abbreviation of South Carolina for legal citations. (See Bluebook, pp. 230-31, Exhibit 2). Note that the official abbreviation of Seychelles is “Sey.” (Bluebook, p. 313) and that no other state or geographical term uses the letters “SC”. (Bluebook, pp. 311-14).
- Use of “SC” as the official state web address www.state.sc.us, which links to the official state website, www.mySCgov.com. (Exhibit 3). Note that the letters “SC” are prominently used in the mySCgov.com logo and as an abbreviation for the State of South Carolina in numerous places. (Id.).
- Use of “SC” adopted by the South Carolina Department of Health and Environmental Control. (Exhibit 4).
- Multiple uses of “SC” as insignia on historical aircraft maintained by the South Carolina Air National Guard. (Exhibit 5).
- Multiple uses of “SC” as an abbreviation for South Carolina adopted by the South Carolina Information Highway. (Exhibit 6).
- Use of “SC” adopted by the South Carolina Department of Revenue. (Exhibit 7).
- Prominent use of the letters “SC” in the “TEAM SC” logo adopted by the South Carolina Department of Commerce. (Exhibit 8).

- Document from the South Carolina Historical Marker Program demonstrating that since 1936, the letters “SC” were used on official markers around the state of South Carolina. (Exhibit 9).
- Document from the U.S. Postal Service indicating that “SC” is the official postal abbreviation for the state of South Carolina. (Exhibit 10).
- Document illustrating that the South Carolina Department of Public Safety has adopted the letters “SC” as part of its insignia. (Exhibit 11).
- Collection of maps indicating that “SC” is used as the geographical abbreviation for the state of South Carolina. (Exhibit 12).
- A photocopy of a waist belt plate created in approximately 1840 with the interlocking letters “SC” used to refer to South Carolina. (Exhibit 13).
- A photocopy of various state seals used by South Carolina throughout its history incorporating the letters “SC.” (Exhibit 14).
- Various photocopies of military belt plates used in the mid-1800’s which establish use of the letters “SC” as insignia by the State of South Carolina. (See Exhibit 15).
- Photocopy of “rattlesnake” secessionist flag created at the beginning of the Civil War with use of “SC” as insignia for the State of South Carolina. (Exhibit 16).
- Collection of photographs taken from the South Carolina Museum and South Carolina Confederate Relic Room & Museum establishing various uses of the letters “SC” on battle flags, weaponry, and uniforms during the Revolutionary War, the Civil War and the Spanish-American War. (Exhibit 17).

Each of these submissions strongly suggests a unique association of the letters “SC” with the state of South Carolina and they clearly create evidence which conflicts with California’s general arguments. Based upon the absence of persuasive evidence, California cannot carry its substantial burden to succeed in its Motion for Summary Judgment. In spite of California’s inevitable failure, South Carolina has provided its own factual evidence in support of its arguments. Because the third-party registrations possess such little value as evidence, South Carolina’s evidence submitted herewith greatly outweighs the evidence submitted by California. As such, an issue of material fact has been created and this case cannot be decided on summary judgment in California’s favor.

2. California has submitted no evidence relating to whether the letters “SC” exists as an insignia or flag of the State of South Carolina.

In addition to the lack of an evidentiary foundation for California’s Motion for Summary Judgment on South Carolina’s § 1052(a) counterclaim, *none* of California’s evidence submitted thus far relates in any way to the existence of the letters “SC” as an insignia for the state of South Carolina. California has argued that “SC” is not an official state insignia because 11 other third-parties have registered the mark. However, South Carolina would reemphasize the foregoing law which clearly establishes that the documentation of third-party registrations are of little evidentiary value in subsequent adversarial proceedings. But more importantly, any argument relating to § 1052(b) based upon those third-party registrations is totally misplaced. California is seeking to create an inference that because other marks containing “SC” have been registered without opposition from South Carolina, it cannot petition to cancel California’s mark. On the contrary, simply because South Carolina may have had some basis for opposition to those marks, that is irrelevant in the context of South

Carolina's current effort to cancel California's mark. Notably, none of these registrations were challenged by California and none of these registrations have asserted trademark claims against South Carolina. Such conclusory arguments cannot in any way come close to establishing that, *as a matter of law*, the letters "SC" are not an insignia of the state of South Carolina.

Once again, despite California's failure to carry its burden for a summary judgment motion, South Carolina has submitted contrary evidence to clearly establish the existence of a factual dispute. The letters "SC" have been adopted as an insignia or flag of the state of South Carolina. Specifically, *Exhibits 5, 9, 11, 13, 14, 15, 16, and 17* submitted herewith demonstrate that the letters "SC" appeared on flags, uniforms, and weaponry throughout the South Carolina's history. Further, at various times throughout its history, the state of South Carolina has utilized the letters "SC" as part of the state's seal. (See Exhibit 14). Finally, official institutions of the state of South Carolina have adopted and currently use the letters "SC" in connection with the work of the government of South Carolina. (See Exhibits 3-9, 11, and 13-17). As a result of its multiple evidentiary submissions, South Carolina has created a factual issue as to whether the letters "SC" form an insignia for the state of South Carolina.

C. SOUTH CAROLINA HAS ESTABLISHED GENUINE ISSUES OF MATERIAL FACT RELATING TO ITS FRAUD CLAIM.

California relies upon only one document in its discussion of South Carolina's fraud cause of action; namely, California's statement of use. (See California's Memo. In Support of its Motion to Dismiss, p. 20; California's Reply, p. 6; California's Request for Official Notice ("RON"), Exhibit G). In fact, this statement of use is the false statement that

serves as the basis for South Carolina's fraud claim. Thus, under the deferential summary judgment standard, South Carolina asserts that there is no plausible way that California has established that there is no genuine issue of material fact regarding falsity. Based upon California's own arguments, it is clear that this document is open to factual interpretation.⁴

South Carolina has established that a false statement was made in connection with California's intent to use application for the letters "SC", Serial No. 74/094,681 filed on September 5, 1990. (Counterclaim ¶ 19, RON, Exhibit D). In particular, South Carolina has shown that on or about January 19, 1994, California filed a statement of use, which was a statement under oath to the U.S. Patent and Trademark Office that it had, in fact, first used the mark in 1978 "in commerce *on all of the goods*" contained in International classes 6, 18, 24 and 25. (Counterclaim ¶20; RON, Exhibit G [emphasis added]). However, this statement is believed to be false because California could not have filed an intent to use application if it had used the mark in commerce on all of the goods identified in the application in 1978, which is 12 years earlier than the filing date of the application.

California's arguments do not overcome South Carolina's showing of a genuine issue of material fact regarding the falsity of the statement of use. Illustrating this, California has asserted that the statement should somehow be parsed into two meanings: (1) upon signing the statement of use it had now used the mark on all goods contained in the application and (2) some of those goods had been used in commerce since 1978. However, this interpretation does not explain away California's deceit. Pursuant to 37 C.F.R. § 2.88(c), if more than one item of goods is specified in a statement use, California was under an affirmative duty to

⁴ South Carolina has already fully briefed and established in its Memorandum in Opposition to Motion to Dismiss and Sur-reply that it has established as a matter of law the required elements of a fraud claim. Therefore, South Carolina will not repeat these arguments and the Board is referred to these memoranda.

identify the particular item to which the dates of use applied. This identical requirement is found in Section 903.09 of the Trademark Manual of Examining Procedure which requires that "where the dates of use do not pertain to all items, the particular item to which they do pertain should be designated." T.M.E.P. § 903.09. In this case, California specified that it had used the mark "on all of the goods" in the application.

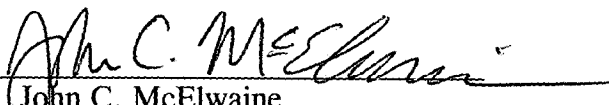
Moreover, South Carolina submitted further evidence calling into question whether California had, in fact, used the mark "SC" on all of the goods even as recently as 1993. On February 22, 2002, California filed a second application (Serial No. 76/374,729) to register the letters "SC" covering the same goods as registered by the SC Word Mark registration, U.S. Reg. No. 1,844,953. (See California Trademark Record, attached to South Carolina's Opposition to Motion to Dismiss as Exhibit B). However, the date of use claimed in this application was 1993 for first use and 1994 for first use in interstate commerce. This is clearly much later than the claimed date of 1927 for first use and 1978 for use in interstate commerce in U.S. Reg. No. 1,844,953. As a result of this discrepancy, South Carolina believes that the facts once developed through discovery may establish that California did not begin using the letters "SC" in earnest as a trademark on all of the goods contained in the SC Word Mark application until 1993 or 1994. If letters "SC" were not used in connection with all of the goods cited in its application, then U.S. Reg. 1,844,953 should never had issued.

III. CONCLUSION

Based upon the foregoing, California's motion for summary judgment should be denied. Where California has submitted documents outside of the pleadings, South Carolina has succeeded in establishing that there exists genuine issues of material facts. As to California's arguments on the law, California has either sought to improperly argue unsupported factual

determinations as mere matters of law or California has failed to establish that South Carolina can prove no set of facts supporting its claims for cancellation.

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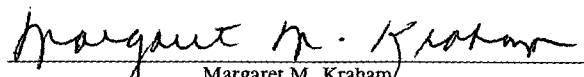
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3/12, 2003

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Date: 03/12/2003

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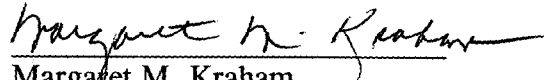
I, the undersigned Administrative Assistant of the law offices of Nelson Mullins Riley & Scarborough, L.L.P., attorneys for Applicant do hereby certify that I have served all counsel in this action with a copy of the pleading(s) hereinbelow specified by mailing a copy of the same by United States Postal Service First Class Mail, with proper postage thereon, to the following address(es):

Pleadings:

**APPLICANT AND PETITIONER'S RESPONSE TO
MOTION FOR SUMMARY JUDGMENT**

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March 12, 2003



BOX TTAB

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03-14-2003

U.S. Patent & TMO/c/TM Mail Rcpt Dt. #70

RE: University of Southern California v. University of South Carolina
Our File No.: 13524/01501

Dear Assistant Commissioner:

Please find enclosed the **Applicant and Petitioner's Response to Motion for Summary Judgment** in the above-referenced matter. By copy of this letter we are serving the opposing counsel.

Thank you for your assistance in this matter.

Very truly yours,

John C. McElwaine

JCM:mmk

Enclosures

cc: William H. Parham
Scott A. Edelman
Michael S. Adler

TRADEMARK TRIAL AND
APPEAL BOARD
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